(Draft - Awaiting Formal Approval)

MINUTES OF THE

NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM COMMITTEE

Wednesday, May 20, 2009 – 10:45 a.m. – Room 210 Senate Building

Members Present:

Sen. Dennis E. Stowell, Senate Chair Rep. Roger E. Barrus, House Chair

Sen. Allen M. Christensen Sen. Margaret Dayton Sen. Karen W. Morgan Rep. Melvin R. Brown Rep. Rebecca Chavez-Houck

Rep. Brad L. Dee Rep. Jack R. Draxler Rep. Ben C. Ferry Rep. Kerry Gibson

Rep. James R. Gowans

Rep. Neal Hendrickson

Rep. Fred R Hunsaker

Rep. John G. Mathis

Rep. Michael E. Noel

Rep. Patrick L. Painter

Rep. Phil Riesen

Rep. Rvan D. Wilcox

Rep. Bradley A. Winn

Staff Present:

Mr. J Brian Allred, Policy Analyst

Ms. Emily Brown, Associate General Counsel

Ms. Joy L. Miller, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Barrus called the meeting to order at 10:55 a.m.

MOTION: Rep. Brown moved to approve the minutes of the November 19, 2008 meeting. The motion passed unanimously. Rep. Dee, Rep. Ferry, and Rep. Winn were absent for the vote.

2. Federal Stimulus Funding

Mr. Mike Mower, State Planning Coordinator, said he has been tasked by the governor to help coordinate the American Recovery and Reinvestment Act (ARRA) funds both internally within the state and externally. He distributed and reviewed "ARRA Update" and "American Recovery & Reinvestment Act Accounting." He pointed out the transparency that is required with the disbursement of the funds.

Mr. Derek Miller, Utah Governor's Office of Economic Development, distributed "State of Utah - Rural Broadband" and "Renewable Energy Incentives." He noted that 44 projects have been approved and under \$1 million has been appropriated for rural broadband service. He indicated that ARRA provides \$7.2 billion for broadband services through two federal programs.

Commissioner Leonard Blackham, Department of Agriculture and Food, explained that currently the dairy industry in Utah is losing \$150,000 - \$200,000 per day. He discussed the programs that the department will be participating in. He said they are trying to make sure Utah farmers have the opportunity to participate in any programs that are available.

Mr. Bill Sinclair, Acting Executive Director, Department of Environmental Quality (DEQ), distributed "American Recovery and Reinvestment Act." He outlined the amount of money coming into each of the divisions within the department which totals \$43.4 million. He reviewed how each division would be spending its share of the money it receives.

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Mr. Darin Bird, Department of Natural Resources, stated the department has only one program through the Utah Geological Survey that will be receiving stimulus dollars. He explained that it is a volunteer, pass through renewable energy program which does not involve mandates.

Mr. Jason Barry, Manager, Utah State Energy Program, distributed "State Energy Program American Recovery and Reinvestment Act Formula Grant Information" and "Energy Efficiency and Conservation Block Grant." He indicated that the program is eligible to receive over \$35 million through the ARRA and \$9.5 million through the Energy Efficiency and Conservation Block Grant. He outlined how the funds are proposed to be used.

Some members of the Committee expressed their desire that the Legislature be involved in determining where these significant amounts of money are being spent. Concerns were also raised with establishing new programs that would require ongoing funding each year.

Mr. Barry indicated that oversight will be rather extensive. He said that they will be able to monitor and report savings.

3. Status Report on Carbon Capture and Sequestration Recommended Administrative Rules

Mr. Allred distributed a copy of Utah Code Section 54-17-701 and reviewed the statute requiring the creation of rules for carbon capture and geological storage.

Mr. Rusty Lundberg, DEQ, distributed a copy of his presentation "Carbon Capture and Geologic Sequestration Administrative Rule Development." Mr. Lundberg explained the objectives of the recommended rules and the key issues taken into consideration in their development. He noted that a multi-agency and stakeholder based workgroup was created to develop the rules.

4. Sunset Review, Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act

Mr. Allred distributed and reviewed "Legislative Oversight and Sunset Act."

Mr. Brad Johnson, Director, Division of Environmental Response and Remediation, distributed "Hazardous Substances Mitigation Act (HSMA)." He pointed out that the HSMA authorizes the Department of Environmental Quality to issue enforceable written assurances and provides it the ability to respond to emergencies involving hazardous chemicals and materials.

MOTION: Rep. Gibson moved to recommend reauthorization of the Hazardous Substances Mitigation Act for ten years. The motion passed unanimously. Sen. Dayton, Sen. Morgan, Rep. Dee, Rep. Draxler, Rep. Ferry, Rep. Mathis, Rep. Noel, Rep. Painter, and Rep. Wilcox were absent for the vote.

5. Sunset Review, Title 19, Chapter 6, Part 8, Waste Tire Recycling Act

Mr. Dennis Downs, Director, Division of Hazardous Waste, distributed "Utah Division of Solid and Hazardous Waste, Waste Tire Recycling Program Overview." He commented that the program has been very successful and proactive with measurable positive results. He said that because of the program almost all waste tires generated in Utah are recycled.

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MOTION: Rep. Hunsaker moved to recommend reauthorization of the Waste Tire Recycling Act for ten years. The motion passed unanimously. Sen. Dayton, Sen. Morgan, Rep. Dee, Rep. Draxler, Rep. Mathis, Rep. Painter, Rep. Riesen, and Rep. Wilcox were absent for the vote.

6. Sunset Review - Utah Code Subsection 4-23-7.5(4), Agricultural and Wildlife Damage Prevention Account Appropriation

Ms. Brown explained that the Wolf Depredation and Management tax checkoff has not received a sufficient amount of money to keep it on the state's tax forms. The restricted account will be repealed on July 1 of this year. She explained that the subsection addresses the disposition of those funds remaining in the account.

MOTION: Sen. Stowell moved to allow Subsection 4-23-7.5(4) to sunset. The motion passed unanimously. Sen. Dayton, Sen. Morgan, Rep. Dee, Rep. Draxler, Rep. Mathis, Rep. Painter, Rep. Riesen, and Rep. Wilcox were absent for the vote.

7. Other Items / Adjourn

Chair Barrus distributed "Draft Interim Study Plan - 2009" and "2009 Interim Studies, Reports, and Reviews." He asked the Committee to review the list and inform the cochairs if there are other items of interest that should be added to the list.

MOTION: Rep. Hendrickson moved to adjourn. The motion passed unanimously.

Chair Barrus adjourned the meeting at 12:45 p.m.